

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 2, 2003

Agenda ID #2335

TO: PARTIES OF RECORD IN APPLICATION 99-08-043

This is the draft decision of Administrative Law Judge (ALJ) Jones. It will not appear on the Commission's agenda for at least 30 days after the date it is mailed. The Commission may act then, or it may postpone action until later.

When the Commission acts on the draft decision, it may adopt all or part of it as written, amend or modify it, or set it aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Parties to the proceeding may file comments on the draft decision as provided in Article 19 of the Commission's "Rules of Practice and Procedure." These rules are accessible on the Commission's website at <http://www.cpuc.ca.gov>. Pursuant to Rule 77.3 opening comments shall not exceed 15 pages. Finally, comments must be served separately on the ALJ and the assigned Commissioner, and for that purpose I suggest hand delivery, overnight mail, or other expeditious method of service.

/s/ ANGELA K. MINKIN
Angela K. Minkin, Chief
Administrative Law Judge

ANG:tcg

Attachment

Decision **DRAFT DECISION OF ALJ JONES** (Mailed 6/2/2003)**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Roseville Telephone Company
(U 1015 C) to Review Extended Area Service
Compensation and Establish Replacement
Revenue Funding.

Application 99-08-043
(Filed August 20, 1999)

FINAL DECISION

Decision (D.) 00-11-039 authorized Pacific Bell to terminate its annual Extended Area Service (EAS)¹ payment of \$11.5 million to Roseville Telephone Company (Roseville) and denied Roseville's proposal that the EAS revenue be recovered on a permanent basis from the California High Cost Fund-A (CHCF-A) or CHCF-B. The assigned Administrative Law Judge was ordered to prepare an Order Instituting Investigation (OII) to review Roseville's revenue requirement to determine whether recovery of the \$11.5 million should come from Roseville's shareholders or from its ratepayers.² D.00-11-039 closed proceeding A.99-08-043.

On May 4, 2001, Roseville filed a Petition for Modification/Clarification to allow use of the CHCF-B as a permanent means of revenue recovery for

¹ EAS is a telephone service authorized in designated communities to extend the geographic reach of a local toll-free calling area.

² I.01-04-026 was initiated in April 2001 to examine the issue of a permanent source for recovery for the \$11.5 million.

Roseville. The Commission denied Roseville's request in D.02-05-009. The proceeding was reopened when Roseville filed its Petition, and D.02-05-009 did not close the proceeding.

However, D.02-05-009 resolved all outstanding issues in the proceeding. Further issues relating to permanent recovery of the \$11.5 million are being addressed in I.01-04-026. Therefore, this proceeding should be closed.

Comments on Draft Decision

The draft decision of the ALJ in this matter was mailed to the parties in accordance with Section 311(g)(1) of the Public Utilities Code and Rule 77.7 of the Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____.

Assignment of Proceeding

Carl W. Wood is the Assigned Commissioner and Karen Jones is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. D.02-05-009 resolved all outstanding issues in A.99-08-043.
2. I.01-04-026 was initiated to examine issues relating to permanent recovery of the \$11.5 million.

Conclusion of Law

Since all outstanding issues have been resolved, A.99-08-043 should be closed.

FINAL ORDER

IT IS ORDERED that Application 99-08-043 shall be closed.

This order is effective today.

Dated _____, at San Francisco, California.